GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:2739
ANSWERED ON:31.08.2007
WAIVING OF INTEREST TO FARMERS BY NABRAD
Patil Shri Pratik Prakashbapu

Will the Minister of FINANCE be pleased to state:

(a) whethsr National Bank for Agriculture and Rural Development (NABARD) has received proposals to waive the heavy interest burden under special package to the farmers during the last two years; and

(b) if so, the present status thereof ?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL)

(a) & (b): Keeping in view the extreme conditions of farmers in the 31 debt stressed districts in the four states of Maharashtra (06), Andhra Pradesh (16), Karnataka (06) and Kerala (03), a relief package was announced for farmers by the Government. It provides for waiver of the entire interest on overdue loans as on 01.07.2006. At the time of finalisation of the scheme, it was estimated to waive Rs.2720.93 (Tore as overdue interest in the 31 identified districts. However, as on 27.07.2007 sin amount of Rs.3732.96 crore as overdue interest has been waived in these districts. The special package also provides for reschedulement of overdue loans of the farmers as on 01.07.2006 over a period of 3-5 years with a one year moratorium. The estimated amount of loan to be rescheduled was Rs.9051.81 crore, whereas an amount of Rs. 10967.98 crore of loan has been rescheduled as on 27.07.2007.